

By: Rodriguez of Travis

H.B. No. 4028

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the issuance of a transportation network company  
3 driver's license; requiring an occupational license; authorizing a  
4 fee; providing a civil penalty.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. The heading to Subtitle F, Title 7,  
7 Transportation Code, is amended to read as follows:

8 SUBTITLE F. COMMERCIAL MOTOR VEHICLES AND PERSONAL VEHICLES USED  
9 FOR COMMERCIAL PURPOSES

10 SECTION 2. Subtitle F, Title 7, Transportation Code, is  
11 amended by adding Chapter 649 to read as follows:

12 CHAPTER 649. TRANSPORTATION NETWORK COMPANY DRIVER'S LICENSES  
13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 649.001. DEFINITIONS. In this chapter:

15 (1) "Department" means the Texas Department of Motor  
16 Vehicles.

17 (2) "Digital network" means any online-enabled  
18 application, software, website, or system offered or used by a  
19 transportation network company that enables a prearranged ride with  
20 a transportation network company driver.

21 (3) "Personal vehicle" means a vehicle that is used by  
22 a transportation network company driver and is:

23 (A) owned, leased, or otherwise authorized for  
24 use by the driver; and

1                   (B) not a taxicab, limousine, or similar for-hire  
2 vehicle.

3                   (4) "Prearranged ride" means transportation provided  
4 by a transportation network company driver to a transportation  
5 network company rider, beginning at the time a driver accepts a ride  
6 requested by a rider through a digital network controlled by a  
7 transportation network company and ending at the time the last  
8 requesting rider departs from the driver's personal vehicle. The  
9 term does not include:

10                   (A) a shared expense carpool or vanpool  
11 arrangement or service; or

12                   (B) transportation provided using a taxicab,  
13 limousine, or similar for-hire vehicle.

14                   (5) "Transportation network company" means a  
15 corporation, partnership, sole proprietorship, or other entity  
16 operating in this state that uses a digital network to connect a  
17 transportation network company rider to a transportation network  
18 company driver for a prearranged ride. The term does not include an  
19 entity arranging nonemergency medical transportation under a  
20 contract with the state or a managed care organization for  
21 individuals qualifying for Medicaid or Medicare.

22                   (6) "Transportation network company driver" means an  
23 individual who:

24                   (A) receives connections to potential  
25 transportation network company riders and related services from a  
26 transportation network company in exchange for payment of a fee to  
27 the company; and

1           (B) uses a personal vehicle to offer or provide a  
2 prearranged ride to a transportation network company rider on  
3 connection with the rider through a digital network controlled by  
4 the company in exchange for compensation or payment of a fee.

5           (7) "Transportation network company rider" means an  
6 individual who uses a transportation network company's digital  
7 network to connect with a transportation network company driver who  
8 provides a prearranged ride to the individual in the driver's  
9 personal vehicle between points chosen by the individual.

10           SUBCHAPTER B. DEPARTMENT POWERS AND DUTIES

11           Sec. 649.010. ISSUANCE OF LICENSE. The department shall  
12 issue a license to a person who meets the requirements of this  
13 chapter and rules adopted under this chapter.

14           Sec. 649.011. REGISTRY. The department by rule shall adopt  
15 procedures to create and maintain a registry of all persons issued a  
16 license under this chapter.

17           Sec. 649.012. GENERAL POWERS AND DUTIES. The department may  
18 take action as necessary to administer and enforce this chapter.

19           Sec. 649.013. RULEMAKING. The department shall adopt rules  
20 for licensing transportation network company drivers and other  
21 rules as necessary to implement this chapter.

22           Sec. 649.014. FEES. The department by rule shall set the  
23 fees imposed under this chapter in an amount sufficient to recover  
24 costs of administering this chapter.

25           Sec. 649.015. CRIMINAL HISTORY RECORD. The department  
26 shall obtain from the Federal Bureau of Investigation criminal  
27 history record information on each applicant for a license under

1 this chapter.

2 SUBCHAPTER C. REGULATION OF TRANSPORTATION NETWORK COMPANY DRIVERS

3 Sec. 649.021. LICENSE REQUIRED. A person may not act as a  
4 transportation network company driver unless the person holds a  
5 license under this chapter.

6 Sec. 649.022. LICENSE APPLICATION. (a) The department by  
7 rule shall establish a license application.

8 (b) The requirements for a license must include that the  
9 applicant:

10 (1) submit an application in a form prescribed by the  
11 department;

12 (2) pay the required fee;

13 (3) disclose any transportation network company whose  
14 digital network the applicant will use to provide a prearranged  
15 ride to a transportation network company rider;

16 (4) provide evidence of the applicant's personal  
17 financial responsibility for any personal vehicle the applicant  
18 will use to provide a prearranged ride to a transportation network  
19 company rider; and

20 (5) submit a complete and legible set of the  
21 applicant's fingerprints in a form prescribed by the department.

22 Sec. 649.023. TERM; RENEWAL. (a) A license issued under  
23 this chapter expires on the first anniversary of the date of  
24 issuance.

25 (b) A person may renew a license issued under this chapter  
26 if the person:

27 (1) submits a renewal application in a form prescribed

1 by the department;

2 (2) pays a renewal fee; and

3 (3) satisfies any other requirements for renewal  
4 adopted by the department.

5 Sec. 649.024. DISPLAY OF LICENSE. The department by rule  
6 shall adopt requirements for the conspicuous display of a  
7 transportation network company driver's license inside the cab of  
8 any personal vehicle operated by a transportation network company  
9 driver to provide prearranged rides to a transportation network  
10 company rider.

11 Sec. 649.025. DISPLAY OF INSIGNIA ON VEHICLE. The  
12 department by rule shall adopt requirements for the display of  
13 transportation network company insignia on any personal vehicle  
14 operated by a transportation network company driver to provide  
15 prearranged rides to a transportation network company rider.

16 Sec. 649.026. REPORT OF ACCIDENT. A transportation network  
17 company driver shall report to the department any accident  
18 involving the driver while the driver is logged on to a digital  
19 network not more than one month after the date of the accident.

20 Sec. 649.027. INSURANCE. A person acting as a  
21 transportation network company driver under this chapter must  
22 possess evidence of financial responsibility in a form approved by  
23 the department as required under:

24 (1) Chapter 601 of this code; and

25 (2) Chapter 1954, Insurance Code.

26 SUBCHAPTER D. ENFORCEMENT

27 Sec. 649.051. SUSPENSION OR REVOCATION OF LICENSE. The

1 department may suspend or revoke a license issued under this  
2 chapter for a violation of this chapter or a rule adopted under this  
3 chapter.

4 Sec. 649.052. CIVIL PENALTY. A person who violates this  
5 chapter or a rule adopted under this chapter is subject to a civil  
6 penalty in an amount set by the department of not more than \$1,000  
7 per violation.

8 SECTION 3. Not later than December 1, 2017, the Texas  
9 Department of Motor Vehicles shall adopt rules necessary to  
10 implement Chapter 649, Transportation Code, as added by this Act.

11 SECTION 4. This Act takes effect September 1, 2018.